

This record is a partial extract of the original cable. The full text of the original cable is not available.

071045Z Jul 05

UNCLAS SECTION 01 OF 03 CHENNAI 001582

SIPDIS

SENSITIVE BUT UNCLASSIFIED

E.O. 12958: N/A

TAGS: [PGOV](#) [PINR](#) [PTER](#) [IN](#)

SUBJECT: MAOIST SCARE FORCES FIVE AP MINISTERS TO QUIT

11. (SBU) SUMMARY: Revealing the muscle of the Maoists in the Telangana region of Andhra Pradesh (AP), five ministers of the Telangana Rashtra Samithy (TRS) quit the Congress-led state government on July 4. Their decision, ostensibly to press the Congress to expedite the formation of a separate state in Telangana, is actually motivated by the threat of Maoist violence against the ministers themselves. The continuing police killings of Maoists, particularly the July 1 shooting of prominent leader Riyaz Khan, has made the TRS leaders jittery. The TRS, however, will continue its alliance with the Congress at the Center, indicating that the party has not lost all hope of working with the Congress, particularly its High Command in Delhi. The TRS ministers' quitting will not affect the stability of the Congress government in AP. END SUMMARY

TRS MINISTERS QUIT, OPT FOR PATH OF AGITATION

12. (SBU) On July 4, five of the six ministers of the TRS party, an ally of the ruling Congress both at the Center and the state level, quit the AP cabinet declaring their intent to take to the path of agitation to secure a separate Telangana state. The state would be comprised of the ten northwestern districts in AP. The sixth minister, Santosh Reddy, a former Congressman, initially refused to step down but will reportedly reconsider the decision later. Harish Rao, one of the five ministers who resigned, told Post that the resignations are meant to put pressure on the Congress leadership to expedite the process of statehood for the Telangana region. "We are deeply committed to Telangana statehood. It is our party's single point agenda," Rao said. He alleged that Chief Minister Y.S. Rajasekhara Reddy had been ignoring the pleas of the TRS and going ahead with several projects against the interests of Telangana. Asked what he considers the biggest roadblock to the formation of the state, Rao replied: "It is Chief Minister Rajasekhara Reddy."

THE MAIN REASON: MAOIST THREAT

13. (SBU) Although Harish Rao discounted the importance of an "ultimatum" the Naxalite Communist Party of India (Maoist) had issued to the TRS to sever links with the Congress governments before June 15, Post's contacts believe that the Maoist pressure was the main factor that prompted the TRS ministers' resignations. A final decision on acceptance of the resignations will be made after the Chief Minister returns from an international trip on July 12. Senior Congress leader and Irrigation Minister Lakshmiah Ponnala listed the Naxalite threat as the most important reason behind the TRS decision. "They obviously wanted some shelter", Ponnala told Post, adding that the TRS may well reconsider the decision later. W. Chandrakanth wrote in the Hindu of July 5: "Stepped up police activity against the Naxalites that provoked them to issue ultimatums to the TRS leaders to quit, and the delay in the submission of the United Progressive Alliance Sub-Committee's report on Telangana are now seen as the prime reasons for the TRS decision to precipitate the matters."

HEAT ON MAOISTS, AND TELANGANA POLITICIANS

14. (SBU) Like the TRS, the state's Maoists, too, are pressing for a separate Telangana state. Both operate in the same geographical area, which comprises 42% of AP, but the Maoists do not directly participate in elections. Several journalist contacts have told Post of the tacit support the Maoists extended to the Congress-TRS combine in the 2004 elections. According

to senior journalist Amin Jafri, the Congress-TRS coalition itself was forged due to the intervention of the Maoists. After the peace talks between the Maoists and the GoAP ended inconclusively in October 2004 and the Maoist leaders pulled out of talks in January 2005, however, the police intensified anti-Naxalite operations and the Congress/Maoists relationship became strained. The TRS was caught in between. According to TRS leaders' own public statements, they have been pressing the government to stop the "all-out offensive against them in violation of its election promise to bring peace."

"KILL ME, NOT MY PARTYMEN", APPEALS TRS LEADER

15. (SBU) It is in this context that the CPI (Maoist) set the deadline on June 15 for the TRS to quit the alliance with the Congress. Three days later, the Maoists killed TRS leader Nagabhushan in Karimnagar District, sending shivers through the TRS hierarchy. Hundreds of TRS lower rung leaders quit their local government posts. TRS founder, leader and Union Minister K. Chandrasekhar Rao made an appeal to the Maoists through the media not to harm the party workers. "Kill me first if you want. We are very close to our goal through the political process and quitting the posts at this juncture will harm the cause." According to a Deccan Herald report of July 4, the Maoists have so far killed three TRS men to send the message that they mean business.

NAXALITE LEADER'S KILLING CHANGES SCENARIO

16. (SBU) The TRS leaders' plan to lie low and buy time received a jolt on July 2, when a prominent Naxalite leader, CPI(ML-Janashakti) Central Committee Member Riyaz Khan alias Venkateshwarlu and three associates were shot dead by the police. Riyaz Khan had directly participated in the peace talks with the government and had been widely seen as one of the top leaders of the Maoist groups in AP. Although the State Director General of Police Swaranjit Sen declared that it was the result of a genuine encounter, Maoists and civil liberties groups described it as a cold-blooded killing. Media reports indicate that TRS senior leaders held long discussions in New Delhi with party President Chandrasekhar Rao in the aftermath of the killing before deciding to withdraw from the AP cabinet.

WATER DISPUTES AND "LADY AMITHABH"

17. (SBU) Although not as critical as the issue of the Maoists, the TRS and the Congress have developed differences on other issues as well. For example, the TRS leaders view several new irrigation projects as depriving the Telengana area for the benefit of the coastal Andhra districts. Amin Jafri pointed out that Chief Minister Reddy disregarded TRS protests and went ahead launching the project work, embarrassing the allies. "The majority of Congress legislators, including several of them from the Telangana area, support Reddy", said Jafri.

18. (SBU) To add to TRS' woes, Telugu movie actress Vijayashanti, who has carefully cultivated the image of an angry activist and earned the soubriquet "Lady Amithabh" (Bachchan), has entered the fray of Telangana campaigners. According to Minister Ponnala Lakshmiah, Vijayashanti is threatening to take away the supporters of TRS, after she quit the BJP in May 2005 promising to launch a peoples' movement to fight for a separate Telangana. Media reports indicate that some Maoist leaders have extended support to her. Amin Jafri believes that a jaded movie star like Vijayashanti cannot have much impact although several other journalists are not yet willing to write her off.

TRS HOPES FOR RELIEF FROM CENTER

19. (SBU) The two Union Ministers of the TRS, including party President Rao, have not resigned from the central cabinet. Justifying the decision, Harish Rao mentioned that the TRS views the multi-party UPA government at the Center as qualitatively different from the Congress-dominated AP government. The TRS leaders seem to harbor hopes of intervention and

relief from the Congress High Command. "The UPA allies in general prefer to deal with the Congress High Command and not the state leaderships", observed Jafri.

MAOISTS MAKING AND BREAKING ALLIANCES

10. (SBU) COMMENT: The resignation of the TRS ministers indicates the success of the terror tactics of the Maoists in Telangana, as well as the frustration of Telangana statehood aspirants with lack of progress on that front. But because the Congress party commands a comfortable majority in the state assembly without TRS support, Chief Minister Reddy is not unduly upset by the developments. On the question of the Telangana state, however, all eyes are on the strategy of the Congress High Command. The majority of state Congress leaders from the coastal and Rayalaseema areas of AP, as well as the leftist allies of the party, are opposed to the bifurcation of the state as is the opposition TDP party. Right now, the best the Congress party can hope for is to buy time on the issue while trying to keep Telangana statehood hopes alive. END COMMENT

CANDADAI